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RR RUEHAG RUEHDF RUEHIK RUEHLZ RUEHPD RUEHROV  
DE RUEHTH #1463/01 2951215  
ZNR UUUUU ZZH  
R 211215Z OCT 08  
FM AMEMBASSY ATHENS  
TO RUEHC/SECSTATE WASHDC 2665  
INFO RUCNMEU/EU INTEREST COLLECTIVE  
RUCNMEM/EU MEMBER STATES COLLECTIVE  
RUEHIK/AMCONSUL THESSALONIKI 1963

UNCLAS SECTION 01 OF 02 ATHENS 001463

SIPDIS

EEB/ODF; EUR/ACE

E.O. 12958: N/A

TAGS: [KMCA](#) [KCRS](#) [EAID](#) [EFIN](#) [PREL](#) [GR](#)

SUBJECT: GREEK GOVERNMENT'S PLANS FOR OCTOBER 22 GEORGIA  
DONORS' CONFERENCE

REF: A. SECSTATE 109212

[1](#)B. ATHENS 1338

[1](#)C. ATHENS 1288

[1](#)D. ATHENS 1455

ATHENS 00001463 001.2 OF 002

[1](#)1. (SBU) Summary. On October 16, the Embassy raised reftel A points regarding the October 22 Georgia Donors' Conference with the MFA and the head of Hellenic Aid. Both indicated that while additional funding may potentially be forthcoming, the GoG does not appear prepared to make a pledge during the Brussels conference. Instead, the GoG plans to use its attendance at next week's conference to better evaluate Georgia's real assistance needs. The GoG remains committed to showing its support for Georgia, but additional GoG funding may fall victim to the financial crisis and resulting Greek budgetary and political realities. End Summary.

[1](#)2. (SBU) EconCouns and DepEconCouns inquired about the donors' conference during a meeting with Ambassador Mercourios Karafotias, the new Director General of Hellenic Aid. Ambassador Karafotias indicated that he is likely to be the GoG representative at next week's conference, but that the GoG likely will not make a pledge at this time. Recapping the 753,000 euros (see reftels B and C) in GoG assistance provided to Georgia thus far, he emphasized that the GoG remains committed to supporting the EU position on Georgia's political integrity and sovereignty. Karafotias claimed that while the GoG expects and is prepared to give more assistance to Georgia, it does not at this time have enough information on Georgia's specific needs to develop an appropriate assistance package. DepEconCouns pointed to the recently-concluded World Bank Joint Needs Assessment (JNA) and outlined its findings, as well as the hope that EU member states would be generous during the conference and try to match the 500 million euros pledged by the European Commission. Karafotias said that while he was not familiar with the JNA, he expects that Georgia's specific needs will be the focus of discussions at the donors' conference, after which time, the GoG will consider what additional support to provide. (Note: Following the meeting, we forwarded the JNA to Karafotias and his staff.)

[1](#)3. (SBU) Ambassador Karafotias went on to share two points regarding further assistance to Georgia. First, he urged the government of Georgia and the international community to ensure that sufficient assistance resources enter South Ossetia. Karafotias is concerned that if the Georgian government does not allow assistance to enter South Ossetia unhindered from Georgian territory, then the only other alternative would be for assistance to have to go through Russia. In his opinion, this would be bad optics for Georgia and could contribute to de facto recognition.

¶4. (SBU) Second, he noted that the GoG has experienced some problems with delivering their in-kind assistance to Georgia.

For example, according to Karafotias, two trucks loaded with humanitarian supplies (blankets, tents, medical items) sat at a border checkpoint in Georgia for two weeks after entering from Turkey until the paperwork could be worked out by Georgian authorities. Both the EconCouns and DepEconCouns tried to ease his concerns by noting that South Ossetia was included, to the extent possible given security considerations, in the JNA and would have assistance targeted to its needs. On the issue of delivery of assistance, EconCouns urged the GoG to immediately relay any further obstacles they encountered to the U.S. Embassy so we could try to work with our Embassy in Georgia to resolve the issues and speed the provision of critical humanitarian supplies.

¶5. (SBU) In a separate meeting on October 16 (see reftel D), the DCM asked MFA Secretary General Agathocles what Greece would pledge at the conference. Agathocles replied that Greece might give additional funding but noted that the Greek budget was under much pressure due to the financial crisis. He explained that while the MFA could understand the need to support Georgia -- and that the amount would hardly have an impact on the overall budget -- politicians outside foreign-policy circles were likely to complain about supporting the Georgians when Greeks were entering increasingly difficult economic times.

¶6. (SBU) Comment. Embassy discussions with the GoG showed a slightly less forward-leaning stance on further assistance to Georgia than was the case one month ago (see reftels B and C). In the case of Karafotias, he was more reserved than his predecessor Ambassador Mitrogogos was on this issue. It is not clear whether this is because of his genuine concerns about getting the pledge right, or if it is due to emerging

ATHENS 00001463 002.2 OF 002

Greek budget realities. It is probably not a stretch to say that the credit crisis and the resulting pressure on the Greek economy are likely to have some impact on Greece's donor pocketbook. The Embassy will continue to press the GoG to reach deep into its pockets and put more meat on the bones of its public statements of support for Georgia. End Comment.  
SPECKHARD